



OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA 70804-9397

1600 NORTH THIRD STREET
POST OFFICE BOX 94397
TELEPHONE: (225) 339-3800
FACSIMILE: (225) 339-3870

March 10, 2004

Honorable Leroy Davis, Mayor
City of Baker
P.O. Box 707
Baker, LA 70704-0707

Dear Mayor Davis:

We conducted a limited review of certain transactions of the City of Baker (City). Our procedures consisted of (1) interviewing employees and officials of the City; (2) interviewing other persons as appropriate; (3) examining selected records of the City; and (4) reviewing applicable Louisiana state laws. The scope of our work was significantly less than that required by *Government Auditing Standards*; therefore, we are not offering an opinion on the City's financial statements, the City's system of internal control, nor assurance as to compliance with laws and regulations.

City travel records show that you attended a conference in Monroe, Louisiana, scheduled August 1-3, 2002. Hotel accommodations at the Atrium Hotel totaling \$297 for three nights were paid to the hotel with a City check. According to Mr. Tony Malhotra, director of hotel accounting for Remic Hotel Management, the current management company, you stayed at the hotel only two nights and therefore received a cash refund of \$99 upon checking out of the hotel. He stated that hotel refunds under \$100 are presented to the guest in cash and that the \$99 was refunded to you as evidenced by your signature on the guest folio. In addition, Mr. Malhotra stated that the hotel's check disbursement records do not reflect a refund check to the City. According to Ms. Julie Pittman, director of finance for the City, no refund was received by the City. Because the hotel was paid by the City, you were not entitled to keep the refund and should have returned the cash to the City.

During an interview on February 12, 2004, you indicated that you did not receive the \$99 cash refund and that you would initiate an internal investigation. In a letter dated March 5, 2004 (enclosed), you stated that you do not recall ever receiving the \$99 cash refund. In addition, you indicated that you discovered the City owes you \$134 for reimbursement of travel expenses not previously submitted for reimbursement as well as \$180 for a per diem check you failed to negotiate.

Honorable Leroy Davis, Mayor
City of Baker
March 10, 2004
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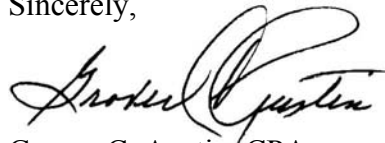
Louisiana Revised Statute 42:1461(A) provides, in part, that a public official whether elected or appointed assumes a personal obligation not to misappropriate, misapply, convert, misuse, or otherwise wrongfully take any funds, property or other things of value belonging to the public entity in which he holds office.

We were also informed that you did not produce certain travel records to the City's auditor as requested. Not providing the City's auditor with information necessary to complete the City's audit may result in a scope limitation preventing its successful completion. Although you did not provide the records to the City's auditor, you did request that the hotels provide the necessary receipts to the legislative auditor.

We recommend that you (1) comply with the City auditor's request for information in connection with the City's audit; (2) reimburse the City the \$99 hotel refund; (3) submit all valid business expense receipts to the City for reimbursement; and (4) request that the City reissue the \$180 per diem if adequate documentation exists recording its business purpose.

If you have any questions, call me at (225) 339-3869.

Sincerely,

A handwritten signature in black ink, appearing to read "Grover C. Austin". The signature is fluid and cursive, with a large, stylized initial "G".

Grover C. Austin, CPA
First Assistant Legislative Auditor

CGM:DGP:dl

[BAKER04]

Enclosure



City of Baker

"Great American Hometown"

OFFICE OF THE MAYOR

Dr. Leroy Davis

Confidential

March 5, 2004

Mr. Calvin G. Moore
Investigative Auditor
Office of Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RECEIVED
LEGISLATIVE AUDITOR
04 MAR - 8 AM 11:21

Dear Mr. Moore,

I have investigated the \$99.00 "Guest Refund" for the Atrium Hotel & Convention Centre for the period August 1-3, 2002. After talking twice with a Ms. Ulonda Willis at the Atrium, the hotel has changed ownership and the records are no longer there. My hold file is missing as well.

I do not recall ever receiving cash from the Atrium Hotel in Monroe. The Atrium may have sent a check to the City of Baker as all other hotels have done for my travel funds.

However, I did discover that I have receipts for \$134.00 in expenses owed to me that have not been paid by the City of Baker. A typed list is attached giving items, dates and amounts. A copy was presented to you at my office on March 5, 2004.

I also discovered an uncashed per diem check written to me in the amount of \$180.00 dated December 13, 2001. Hence, the City of Baker owes me more than the \$99.00 in question.

I trust that this will suffice for your purposes.

Sincerely,

Leroy Davis, Ph. D.
Mayor

xc: Mr. Melvin L. Davis, CPA

Confidential
Funds Baker owes Mayor Davis
as of March 5, 2004

1.	Expenses Business (Museum) Meals 2/8/02 -----	\$32.00
2.	Parking Crowe Plaza, Jackson, MS. 4/26/02-----	\$3.00
3.	Parking New Orleans Central Parking 12/9/01-----	\$15.00
4.	Parking Atlanta, GA., Cab - 12/6/01-----	\$18.00
5.	Taxi, Washington, D.C. 2/6/02-----	\$20.00
6.	Taxi, Washington, D.C. 2/7/02-----	\$8.50
7.	Taxi, Washington, D.C. 2/7/02-----	\$7.00
8.	Taxi, Washington, D.C. 2/7/02-----	\$7.50
9.	Taxi, Washington, D.C. 2/7/02-----	\$10.00
10.	Taxi, Washington, D.C. 2/7/02-----	\$13.00

Total owed Mayor Davis -----	\$134.00
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